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16 **UNITED STATES BANKRUPTCY COURT**

17 **FOR THE DISTRICT OF NEVADA**

18 In re:  
19 TURNBERRY/MGM GRAND TOWERS, LLC,  
20  Affects this Debtor.

Case No.: 15-13706-abl  
Chapter 11

**JOINTLY ADMINISTERED UNDER  
CASE NO.: 15-13706-abl**

16 In re :  
17 TURNBERRY/MGM GRAND TOWER B, LLC,  
18  Affects this Debtor.

Case No.: 15-13708-abl  
Chapter 11

19 In re :  
20 TURNBERRY/MGM GRAND TOWER C, LLC,  
21  Affects this Debtor.

Case No.: 15-13709-abl  
Chapter 11

Date: August 3, 2015  
Time: 1:30 p.m.

22 **DECALARATON OF GREGORY E. GARMAN IN SUPPORT OF THE APPLICATION  
23 FOR ORDER APPROVING EMPLOYMENT OF GARMAN TURNER GORDON LLP  
24 AS ATTORNEYS FOR THE DEBTORS NUNC PRO TUNC TO THE PETITION DATE**

25 I, Gregory E. Garman, Esq., in accordance with Federal Rule of Bankruptcy Procedure  
26 2014 and 2016, hereby declare as follows:

27 1. I am over the age of 18 and am mentally competent. I make this declaration in  
28 support of the *Application for Order Approving the Employment of Garman Turner Gordon LLP*

1 as Attorneys for the Debtors Nunc Pro Tunc to the Petition Date (the “Application”).<sup>1</sup>

2. I am a partner in the law firm of Garman Turner Gordon LLP (“GTG”). In my  
 3 capacity as a partner, I am familiar with GTG’s daily business, operations, and financial affairs.  
 4 Except as otherwise indicated, all of the facts set forth in this Declaration are based upon my  
 5 personal knowledge of GTG’s operations and finances, information learned from my review of  
 6 relevant documents, and information supplied to me by other partners and employees of the firm.  
 7 If called upon to testify as to the content of this Declaration, I could and would do so.

### QUALIFICATIONS

3. I am inform that the Debtors have selected GTG as their attorneys because of  
 10 GTG’s attorneys’ experience in the field of bankruptcy and cases under the Bankruptcy Code.  
 11 GTG’s attorneys have been actively involved in many of the largest bankruptcy cases filed  
 12 within and beyond this District during the last several decades. GTG’s attorneys have  
 13 represented debtors, trustees, various committees, and other parties-in-interest in cases of  
 14 national significance, and is well qualified to act as attorneys for Debtors. The attorneys  
 15 employed by GTG are duly admitted to practice before this Court.

### SERVICES TO BE RENDERED

4. The Debtors contacted and retained GTG on June 3, 2015 as set forth in the Legal  
 18 Representation Agreements attached hereto as **Exhibits “1” – “3”** (collectively, the “Retainer  
 19 Agreement”). The Retainer Agreement provides hourly rates and charges for the second-quarter  
 20 of 2015, and that such matters are subject to reconsideration on a semi-annual basis. Since June  
 21 2015, the Debtors have paid GTG the sum of \$72,521.00 for legal services and costs rendered in  
 22 connection with their restructuring. GTG is also currently holding in retainer the sum of  
 23 \$2,479.00.

5. GTG has the necessary background to deal effectively with many of the potential  
 25 legal issues and problems that may arise in the context of the Debtors’ Chapter 11 Cases. GTG is  
 26 both well-qualified and able to represent the Debtors in their Chapter 11 Cases in a most efficient  
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28 <sup>1</sup> Capitalized terms not otherwise defined herein shall have those meanings ascribed to them in the Application.

1 and timely manner.

2       6. The services of GTG under a general retainer are appropriate and necessary to  
 3 enable the Debtors to execute their duties as debtors-in-possession faithfully in the Chapter 11  
 4 Cases. Subject to further order of this Court, it is proposed that GTG be employed as counsel to  
 5 render the following professional services:

6             a.        prepare on behalf of the Debtors, as debtors-in-possession, all necessary or  
 7 appropriate motions, applications, answers, orders, reports, and other papers in  
 8 connection with the administration of the Debtors' estates;

9             b.        to take all necessary or appropriate actions in connection with a plan or  
 10 plans of reorganization and related disclosure statement(s) and all related documents, and  
 11 such further actions as may be required in connection with the administration of the  
 12 Debtors' estates;

13             c.        take all necessary actions to protect and preserve the estates of Debtors,  
 14 including the prosecution of actions on Debtors' behalves, the defense of any actions  
 15 commenced against Debtors, the negotiation of disputes in which Debtors are involved,  
 16 and the preparation of objections to claims filed against the Debtors' estates; and

17             d.        perform all other necessary legal services in connection with the  
 18 prosecution of the Debtors' Chapter 11 Cases.

19       7. It is necessary for the Debtors to employ attorneys under a general retainer to render  
 20 the foregoing professional services. Subject to this Court's approval of the Application, GTG is  
 21 willing to serve as the Debtors' general bankruptcy counsel to perform the services described  
 22 herein.

23       8. The Debtors anticipate submitting applications to retain certain other estate  
 24 professionals. GTG intends to monitor and coordinate carefully the efforts of all estate  
 25 professionals and delineate clearly their respective duties so as to prevent duplication of effort  
 26 whenever possible. Rather than resulting in extra expense to the Debtors' estates, it is anticipated  
 27 that the efficient coordination of efforts of the Debtors' attorneys and other professionals will  
 28 greatly add to the progress and effective administration of these Chapter 11 Cases.

## **DISINTERESTEDNESS**

9. The Debtors have disclosed thousands of names to GTG constituting their members, creditors, potential creditors, and other parties-in-interest. From such initial review, up to and including the preparation of this Application, GTG has continued to review the information provided by the Debtors to determine any previous or present representations.

10. To the best of my knowledge, information and belief, neither GTG, nor any other partner or associate thereof has any prior or present connection with the Debtors, or the Debtors' creditors or other parties-in-interest, except as set forth below.

11. GTG is disinterested as required by the Bankruptcy Code; however, in an abundance of caution disclose the following connections.

12. GTG's attorneys and employees have the following connections with the Debtors' members.

- a. While at Gordon Silver, I and certain of GTG's attorneys represented a committee of several hundred million dollars of mechanics lien holders (the "M&M Lienholders") in the bankruptcy case of Fontainebleau Las Vegas Holdings, LLC, Case No. 09-21481-AJC, and its related cases, pending in the United States Bankruptcy Court for the Southern District of Florida. The Fontainebleau representation was adverse to many Turnberry affiliates. GTG no longer represents the M&M Lienholders as that portion of the case has concluded.
- b. While with Gordon Silver, certain of GTG's attorneys represented George Wallace in an action filed against Bellagio, LLC, a subsidiary of MGM Resorts International, in Nevada Eighth Judicial District Court Case No. A-09-604440. Following a jury trial in the case, Wallace obtained a \$1,308,500 million verdict against Bellagio. GTG does not represent George Wallace.
- c. While at Gordon Silver, certain of the Firm's attorneys represented Dubai World, a partner of MGM in connection with the CityCenter Project, related to the construction and financing of the City Center Las Vegas project. The dispute

1                   between the two parties was resolved in approximately 2009. GTG does not  
 2                   represent Dubai World.

3                   d. The John Milton and Elizabeth Ann McManus Living Trust 2004 and John Milton  
 4                   McManus are or were owners of a unit in one of the Debtors. John M. McManus  
 5                   is the secretary, executive vice president, and general counsel for MGM Resorts  
 6                   International. Neither GTG nor its attorneys have ever represented Mr. McManus  
 7                   in his personal capacity.

8                   e. For approximately five years, Gregory Garman, in his individual capacity, has and  
 9                   continues a private vacation rental from Charles Norton, the spouse of Laura  
 10                  Norton, an assistant general counsel for MGM Resorts International. The lease is  
 11                  a standard arm's length transaction, with fair market rental terms. Such lease does  
 12                  not present a disqualifying conflict of interest in these Chapter 11 Cases.

13                  13. Members of GTG have the following connections with potential creditors of the Debtors:

14                  a. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
 15                  previously represented a Dr. Shaheen Chowdhry, who may or may not be the  
 16                  same or related to Kausar and Bashir Chowdry, in matters unrelated to these  
 17                  Chapter 11 Cases. Members of GTG do no currently represent Kausar and Bashir  
 18                  Chowdhry and the previous representation does not present a disqualifying  
 19                  interest in these Chapter 11 Cases.

20                  b. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
 21                  previously represented Yoel Ina in matters unrelated to these Chapter 11 Cases.  
 22                  Gordon Silver's representation ended in 2013 and GTG does not represent Yoel  
 23                  Ina. As such, the previous representation does not present a disqualifying interest  
 24                  in these Chapter 11 Cases.

25                  c. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
 26                  previously were adverse to Michael J. Mona in matters unrelated to these Chapter  
 27                  11 Cases. Members of GTG do no currently represent Michael J. Mona and

1 Rhonda H. Mona and the previous representation does not present a disqualifying  
2 interest in these Chapter 11 Cases.

3 d. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
4 previously represented Michael Kaplan in matters unrelated to these Chapter 11  
5 Cases. Members of GTG do no currently represent Michael Kaplan and the  
6 previous representation does not present a disqualifying interest in these Chapter  
7 11 Cases.

8 e. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
9 previously represented Georges Tannoury in matters unrelated to these Chapter  
10 11 Cases. Members of GTG do no currently represent Georges Tannoury and the  
11 previous representation does not present a disqualifying interest in these Chapter  
12 11 Cases.

13 f. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
14 previously represented Tudor Properties, LLC in matters unrelated to these  
15 Chapter 11 Cases. Members of GTG do no currently represent Tudor Properties,  
16 LLC and the previous representation does not present a disqualifying interest in  
17 these Chapter 11 Cases.

18 g. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
19 previously represented entities owned by Scott Gragson in matters unrelated to  
20 these Chapter 11 Cases. Members of GTG do no currently represent Scott  
21 Gragson and the previous representation does not present a disqualifying interest  
22 in these Chapter 11 Cases.

23 h. GTG currently represents an entity owned to purchase assets by Ken Chupinski in  
24 a wholly unrelated matter, and, in the past while with their previous law firm of  
25 Gordon Silver, certain of GTG's attorneys have represented entities related to  
26 Ken Chupinski. Additionally, Kenneth Chupinski owns Global Auction  
27 Marketing Las Vegas Auction, which GTG's attorneys have used in the past to  
28 conduct auctions for certain on their cases. GTG' attorneys' current and former

1 representation of Ken Chupinski does not present a disqualifying interest in these  
2 Chapter 11 Cases.

3 i. Certain of GTG's attorneys currently represent the Eugene P. Heytow Trust for  
4 general trust administration, unrelated to this matter. In fact, GTG has confirmed  
5 that the Eugene P. Heytow Trust no longer owns property it purchased at The  
6 Signature Towers. In connection with representation of the Eugene P. Heytow  
7 Trust, GTG's attorneys also work closely with Richard Levy of Jenner & Block  
8 LLP, who is believed to be listed on the creditor matrix solely in his capacity as  
9 counsel for the Eugene P. Heytow Trust. GTG's current representation of the  
10 Eugene P. Heytow Trust in matters unrelated to the Chapter 11 Cases does not  
11 present a disqualifying interest in these Chapter 11 Cases.

12 j. Certain of GTG's attorneys currently represent Jeffrey Burr, Ltd. in a matter  
13 unrelated to the Chapter 11 Cases. GTG's current representation of Jeffrey Burr,  
14 Ltd. in matters unrelated to the Chapter 11 Cases does not present a disqualifying  
15 interest in these Chapter 11 Cases.

16 k. Certain of GTG's attorneys have represented Nevada State Bank in a bankruptcy  
17 matter unrelated to the Chapter 11 Cases against John Carnesale. Both parties are  
18 listed as potential creditors in the creditor matrix. Additionally, attorneys at GTG  
19 have previously when with Gordon Silver, and continue to, represent Nevada  
20 State Bank in a range of transactional and litigation matters. GTG has spoken  
21 with representative from Nevada State Bank about their potential claims and have  
22 been advised that neither has any knowledge of any present or past relationship  
23 between Nevada State Bank and the Debtors or the Signature Towers. Thus, it  
24 does not appear that Nevada State Bank holds any claims adverse to the estate,  
25 but rather appears on the creditor list as a lienholder. GTG's current and former  
26 representation of Nevada State Bank does not present a disqualifying interest in  
27 these Chapter 11 Cases. In addition, GTG and some of its individual partners has  
28 a banking relationship with Nevada State Bank.

1           1. Attorneys at GTG have previously when with Gordon Silver, represented Bank of  
 2           Nevada in a range of transactional and litigation matters. GTG believes that Bank  
 3           of Nevada does not hold any claims adverse to the estate, but rather appears on  
 4           the creditor list as a lienholder. GTG's current and former representation of Bank  
 5           of Nevada does not present a disqualifying interest in these Chapter 11 Cases.

6           m. Douglas Unger is a personal friend on Gerald M. Gordon, a partner in GTG. Such  
 7           relationship does not present a disqualifying interest in these Chapter 11 Cases.

8           n. Certain of GTG's attorneys, while at their former law firm of Gordon Silver,  
 9           previously represented Yolanda Smith in a deficiency action. It does not appear,  
 10          however, that the party listed in the creditor matrix is the same Yolanda Smith as  
 11          she is listed with a different address in a different state. Nonetheless, in an  
 12          abundance of caution, GTG discloses the potential connection. Members of GTG  
 13          do no currently represent Yolanda Smith and the previous representation would  
 14          not present a disqualifying interest in these Chapter 11 Cases, even if it proves to  
 15          be the same person.

16          14. Finally, the Debtors have sought approval to retain Dr. Kenneth Wiles and his  
 17          wholly owned company, the Andare Corp., as managers for the Debtors and as the Debtors'  
 18          "responsible person." Certain of GTG's attorneys have previously represented clients that have  
 19          retained Dr. Wiles and his current and former entities to perform financial advisory and expert  
 20          services unrelated to this matter in the Bankruptcy Court. This does not present a disqualifying  
 21          interest in these Chapter 11 Proceedings.

22          15. To the best of my knowledge, information and belief, subject to the discussion  
 23          below, GTG and its partners and associates do not hold or represent any interest adverse to the  
 24          Debtors' estates and GTG and its partners and associates are disinterested persons within the  
 25          meaning of 11 U.S.C. §§ 101(14) and 327 as modified by 11 U.S.C. § 1107(b). Additionally,  
 26          GTG does not have any connection with the United States Trustee or any persons employed in  
 27          the Office of the United States Trustee.

28          16. None of the employees of GTG has ever served as an officer or director of the

1 Debtors. GTG is not an equity security holder of the Debtors and GTG has never received  
2 compensation for any services normally attributed to an officer or director of the Debtors.

3           17. GTG will conduct an ongoing review of its files to ensure that no disqualifying  
4           circumstances arise, and if any new relevant facts or relationships are discovered, GTG will  
5           supplement its disclosure to the Court.

## **COMPENSATION**

7       18. The compensation of GTG's attorneys and paraprofessionals are proposed at  
8 varying rates currently ranging from \$130.00 per hour to \$190.00 per hour for paraprofessionals,  
9 ranging from \$200.00 per hour to \$385.00 per hour for associates, and from \$435.00 per hour to  
10 \$775.00 per hour for partners of GTG, subject to change from time to time as provided for in the  
11 Retainer Agreement, and all subject to application and approval by this Court, pursuant to  
12 Sections 330 and 331. My rate is \$595 per hour and I will be the partner in direct supervision of  
13 this representation. GTG respectfully submits that such rates are reasonable in light of the high  
14 quality of the services being provided and the specialized nature of the services being provided.  
15 Additionally, GTG's rates are consistent with the market.

16        19. GTG will also seek reimbursement of its expenses pursuant to its policies set forth  
17 in the Retainer Agreement, which generally involve passing through all properly reimbursable  
18 expenses to the client.

19        20. Other than as set forth above, no arrangement is proposed between the Debtors and  
20 GTG for compensation to be paid in these Chapter 11 Cases.

21       21. The Debtors understand that GTG hereafter intends to apply to the Court for  
22 allowances of compensation and reimbursement of expenses in accordance with the applicable  
23 provisions of the Bankruptcy Code, including, but not limited to Sections 330 and 331, the  
24 Bankruptcy Rules, the Local Rules, and the Guidelines for Professional Compensation  
25 established by the Office of the United States Trustee, and further orders of this Court, for all  
26 services performed and expenses incurred after the Petition Date. It is contemplated that GTG  
27 will file a motion seeking interim compensation during this case as permitted by Section 331 and  
28 Bankruptcy Rule 2016. GTG understands that its compensation is subject to prior Court

1 approval.

2 I declare under penalty of perjury of the laws of the United States that these facts are true  
3 to the best of my knowledge and belief.

4 DATED this 7<sup>th</sup> day of July, 2015.

5 /s/ Gregory E. Garman  
6 GREGORY E. GARMAN  
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